

**ASIAN CAPITAL HOLDINGS LIMITED**  
**卓亞資本有限公司**  
(the “Company”)

**REMUNERATION COMMITTEE**

**TERMS OF REFERENCE**

**1. Membership**

- 1.1 Members of the remuneration committee (the “Committee”) shall be appointed by the board of directors (the “Board”), where appropriate, in consultation with the chairman of the Committee (the “Committee Chairman”). The Committee shall be made up of at least three members (“Members”).
- 1.2 Majority of members of the Committee shall be independent non-executive directors.
- 1.3 Only Members of the Committee have the right to attend Committee meetings. Other individuals such as the chairman of the Board, and head of human resources, may be invited to attend all or part of any meeting as and when appropriate.
- 1.4 The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman and/or an appointed deputy, the remaining Members present shall elect one of their Members to chair the meeting.

**2. Secretary**

- 2.1 The company secretary or its/his/her/their nominee shall act as the secretary of the Committee.
- 2.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

**3. Quorum, Attendance at Meetings and Resolutions**

- 3.1 The quorum necessary for the transaction of business shall be two Members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.3 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.

3.4 A resolution in writing signed by all the Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

#### **4. Frequency of Meetings**

The Committee shall meet at least once a year and otherwise as required.

#### **5. Notice of Meetings**

5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its Members.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member of the Committee and any other person required to attend at least 14 days before the date of the meeting. Supporting papers shall be sent to Committee Members and to other attendees as appropriate at least 3 days in advance of the meeting (or such other period as agreed).

#### **6. Minutes of Meetings**

The Committee Chairman shall arrange for keeping of records of resolutions passed at Committee meetings, and circulate the same to all Members of the Committee within a reasonable time (generally within 14 days) after each meeting and, once agreed, to all Members of the Board.

#### **7. Annual General Meeting**

The Committee Chairman should, as far as practicable, attend the annual general meeting and make himself available to respond to any shareholder questions on the Committee's activities.

#### **8. Responsibility, Powers and Discretion**

The Committee shall have the following responsibilities, powers and discretion:

8.1 to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

8.2 to have delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment

conditions elsewhere in the Group and desirability of performance-based remuneration;

- 8.3 to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- 8.4 to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- 8.5 to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- 8.6 to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- 8.7 to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules.

## **9. Reporting Responsibilities**

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **10. Authority**

- 10.1 The Committee shall consult the chairman of the Board and/or chief executive officer about their proposals relating to the remuneration of other executive directors and senior management;
- 10.2 The Committee is authorised by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties;
- 10.3 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- 10.4 The Committee shall be provided with sufficient resources to discharge its duties.